

ASK VIVIAN: Sage Planning's Vivian Villers



Q. "I want to accelerate my mortgage payments so that my special needs daughter can continue to live in our condo."

A retired client and his spouse recently downsized and purchased a condo with a 3% mortgage. The income from their Social Security and pensions is more than enough to meet their expenses. They have a special needs daughter who can live independently but cannot support herself. That client wanted to pay off the mortgage within 7 years, leaving a paid-up condo for their daughter to inherit. To accomplish this, they were planning to withdraw excess amounts from their IRAs. After running the projections, the result was that when he died, there would be minimal investment assets remaining and his daughter would not have any resources to pay the real estate taxes, utilities, or association fees, let alone food and health care costs.

My advice, "let's crunch the numbers." It is the only way to consider the long-term consequences of the decisions we make.

Vivian J. Villers, CFP®, AIF®, CWS®

910 Skokie Blvd., Suite 102
Northbrook, IL 60062
p: 847-509-4300 | f: 847-272-0212
e: vjvillers@sigmarep.com
<http://www.sageplanning4life.com>

